

DISCLOSURES

1. DEFINITIONS.

AUTHORIZING AGENT: The person who is lawfully authorized to control the final disposition of the **Contract Beneficiary**.

CONTRACT: Where the term “**Contract**” appears in bold, it refers to this document titled, “Contract for Preneed Cemetery Merchandise and Services.”

CONTRACT BENEFICIARY: The person(s) who will be the recipient(s) of the Cemetery Merchandise and Services at his, her, or their time of death.

PROVIDER: The person who will actually provide the Cemetery Merchandise and Services under the terms of this **Contract**. The **Provider** may or may not be the **Seller**.

PURCHASER: The person who purchases this **Contract** either on his or her behalf or on behalf of the **Contract Beneficiary**.

SELLER: The person or entity offering or selling Cemetery Merchandise and Services on a preneed basis. The **Seller** may or may not be the **Provider**.

2. CEMETERY MERCHANDISE AND SERVICES. The **Provider** shall provide the selected Cemetery Merchandise and Services as shown in this **Contract**. The **Provider** will furnish the brands or makes of goods shown or, if unavailable, goods of equivalent quality. This **Contract** is revocable unless the **Purchaser** indicates otherwise by signing in the space provided on the reverse side of this **Contract**, under IRREVOCABLE OPTION (Section IV).

3. THIS CONTRACT IS FUNDED BY LIFE INSURANCE AND/OR ANNUITIES. The **Seller** presenting this document is a representative of the **Provider**, and as an insurance agent (if applicable), the **Seller** is representing the insurance company. The **Seller**, the **Provider**, and their agencies may receive commissions or other compensation as a result of funding this **Contract** with insurance and annuity contracts. The **Provider** must be designated to receive the death benefits of the life insurance and annuities. Life insurance used to fund a preneed contract must cover not less than the initial retail price of the preneed contract. Annuities used to fund a preneed contract must ultimately cover not less than the initial retail price of the preneed contract. Preneed contracts funded by a combination of life insurance and annuities must ultimately cover not less than the initial retail price of the preneed contract. (See also Disclosure 8).

4. MONEY DUE AT TIME OF FULFILLMENT. If this **Contract** is funded by Life Insurance and Annuities, under which there is insufficient money to completely fund the **Contract** price at the time of death of the **Contract Beneficiary**, the difference between the **Contract** price and the money available is due and payable to the **Provider** at the time of fulfillment.

5. GUARANTEED. Subject to the terms of this **Contract**, and upon the death of the **Contract Beneficiary**, the **Provider** shall furnish the Cemetery Merchandise and Services as set forth in this **Contract**, regardless of the cost of the Cemetery Merchandise and Services at the date of the death of the **Contract Beneficiary**.

THIS CONTRACT DOES NOT GUARANTEE THE PRICE OF CASH ADVANCE ITEMS. Cash Advance Items are paid by the **Provider**, on the **Purchaser**'s behalf, to third parties. The **Provider** has no way of guaranteeing Cash Advance Item prices at death, as they are estimated now. Any additional cost for Cash Advance Items will be the responsibility of the **Purchaser** or the **Contract Beneficiary**'s Legal Representative. Any additional items chosen which are not specifically included in this **Contract** will be paid for when the Cemetery Merchandise and Services are provided. The **Provider** will be entitled to all assigned insurance proceeds, except for the amount that exceeds the actual cost of Cemetery Merchandise and Services, at the time of need (**Contract Beneficiary**'s death). This **Contract** provides benefits in the form of Cemetery Merchandise and Services only, unless Non-Guaranteed Cash Advance Items are specified.

6. CANCELLATION. Unless made Irrevocable (Section IV), **Purchaser** may cancel this **Contract** at any time prior to midnight of the thirtieth (30th) day of the date this **Contract** was executed by providing written notice to the **Seller**. Upon providing written notice, **Purchaser** shall be entitled to a complete refund of the amount paid, except for the amount allocable to any Cemetery Merchandise and Services that has been delivered or performed.

If cancelled after thirty (30) days, the **Seller** and **Provider** shall relinquish any and all rights as beneficiary and assignee of the funding insurance and annuity death benefits and if applicable, shall surrender possession of the funding insurance and annuity contracts to the **Purchaser**. The **Seller** shall be entitled to collect from the **Purchaser** a cancellation fee not to exceed the lesser of twenty percent (20%) of all funding monies paid or twenty percent (20%) of the **Contract**'s purchase price, in addition to any amounts allocable to Cemetery Merchandise and Services already delivered or performed.

Upon providing written notice, the **Purchaser** shall be entitled to the cash value of the life insurance policies and annuity contracts or other refunds per the terms of the insurance policies and annuity contracts (which may be substantially less than the amount paid) unless the **Purchaser** elects to maintain the life insurance or annuity contracts by continuing payment of premiums to the issuing insurance company. The refund shall be made within thirty (30) days after receipt by the **Seller** of the **Purchaser**'s written request for cancellation.

In the event this **Contract** is made Irrevocable by the **Purchaser**'s signature (Section IV), the **Purchaser** or **Authorizing Agent** shall have the right to appoint a **Provider** other than the **Seller** of this preneed **Contract** (see Disclosure 7).

7. TRANSFER. In the event that a **Provider** is appointed other than the **Seller**, the **Seller** shall relinquish any and all rights as beneficiary and/or assignee of the funding insurance and annuities and shall surrender possession of the funding insurance and annuities to the **Purchaser** or the **Contract Beneficiary**'s Legal Representative. The **Seller** shall be entitled to collect, from the **Purchaser** or the **Contract Beneficiary**'s Legal Representative, payment for any Cemetery Merchandise and Services already delivered or performed and a cancellation fee not to exceed the lesser of twenty percent (20%) of all funding monies paid by the **Purchaser** or twenty percent (20%) of the **Contract**'s purchase price. No transfer shall occur without the acceptance of the appointed **Provider**.

8. DEFAULT BY PURCHASER. If the **Purchaser** is 90 days or more past due in making payment on the **Contract**, the **Contract** will be considered in default, and the **Provider** shall be entitled to cancel the **Contract**. The **Provider** may declare this **Contract** void or in default if life insurance or an annuity intended to fund the **Contract** price, is not in force; has been voided, lapsed, borrowed against, or surrendered; any payments are paid out before death, scheduled payments are not made; death benefits are paid under the suicide provision of the policy; a significant change is made to any of the items on the Statement of Cemetery Merchandise and Services; or the **Provider** is no longer designated to receive the death benefit of the life insurance or annuity. The **Provider** shall be entitled to any amounts allocable to Cemetery Merchandise and Services already delivered or performed and a cancellation fee not to exceed the lesser of twenty percent (20%) of all funding monies paid or twenty percent (20%) of the **Contract**'s purchase price. The **Provider** must give the **Purchaser** thirty (30) days notice of its intention to exercise any of its rights under this provision.

9. FAILURE OF PERFORMANCE. Upon breach of **Contract** or failure of the **Provider** to provide Cemetery Merchandise and Services under this **Contract**, the **Purchaser** shall be entitled to a refund of any monies or premiums paid toward life insurance and annuities used to fund the **Contract** to the extent the premiums or sum of money paid exceeds the proceeds due from the life insurance and annuity contracts. The refund shall be made within thirty (30) days after the **Provider** receives the **Purchaser**'s written request for refund.

10. DISCLAIMER OF WARRANTIES. Provider DOES NOT WARRANT the merchandise or goods covered by this **Contract**. The only warranty, IF ANY, is the warranty issued by the manufacturer of the purchased merchandise or goods.

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, AND WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE EXCLUDED.

11. RECEIPT OF COPIES. **Purchaser** acknowledges receipt of a legible, complete, and executed copy of this **Contract**, and approves the terms contained herein.

By executing this Contract on the signature line provided on the reverse side (Section IV), Purchaser acknowledges and certifies that he or she has read this Contract and the personal information set forth on the reverse side is true and correct as the date thereof.

12. MISCELLANEOUS. All notices given hereunder shall be in writing and delivered to the respective party by personal service or by depositing the same in the United States mail, postage prepaid, to the address indicated herein or to such other address as a party shall have previously designated by Notice to the other party given in accordance with this paragraph. All Notices shall be deemed received on the date of mailing or service. The provisions hereof constitute the entire and complete agreement between the parties. Amendments to this **Contract** may be necessary to comply with changes in the law or to assure to each party that the economic benefits of this **Contract** are not changed because of changes in law or regulations or actions taken by regulatory agencies of the State of Alabama or the United States of America. **Purchaser** agrees to execute such amendments to this **Contract** and if **Purchaser** is not available or fails to act within thirty (30) days of Notice being given, **Purchaser** hereby appoints the agent of **Seller** as his attorney-in-fact with full power to act in the place of **Purchaser** and bind **Purchaser** as to such amendment to this **Contract**. This **Contract** shall be construed in accordance with, and governed by, the laws of the State of Alabama. If any provision or part of this **Contract** is held for any reason to be unenforceable, the remainder of the **Contract** shall nevertheless remain in full force and effect. This **Contract** is for use solely for the Cemetery Merchandise and Services of the **Contract Beneficiary** and shall not be assignable by **Purchaser** or any other person for use in connection with the death of any person other than the **Contract Beneficiary**. Upon death or incapacity of **Purchaser**, this **Contract** may be enforced by, and **Provider** shall have the right to offer performance and deal with, in lieu of **Purchaser**, either an heir or Legal Representative of the **Contract Beneficiary** or the attorney-in-fact, an heir or the Legal Representative of **Purchaser**.